

THE OHIO STATE UNIVERSITY
OFFICIAL PROCEEDINGS OF THE
ONE THOUSAND THREE HUNDRED AND FORTY-FIRST MEETING
OF THE BOARD OF TRUSTEES

Columbus, Ohio, April 3, 1998

The Board of Trustees met at its regular monthly meeting on Friday, April 3, 1998, at The Ohio State University-Lima Campus, Reed Hall Auditorium, Lima, Ohio, pursuant to adjournment.

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Minutes of the last meeting were approved.

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The Chairman, Mr. Shumate, called the meeting of the Board of Trustees to order on April 3, 1998, at 10:45 a.m. He requested the Secretary to call the roll.

Present: Alex Shumate, Chairman, Theodore S. Celeste, George A. Skestos, David L. Brennan, James F. Patterson, Tamala Longaberger, Daniel M. Slane, Mark Berkman, and Soraya Rofagha.

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PRESIDENT'S REPORT

Dr. Richard Sisson:

I am very pleased that we are meeting today on the University's Lima campus. Yesterday, we did have the opportunity to meet with trustees, as the Chairman has indicated, from each of our regional campuses. We are grateful to these outstanding citizens for their commitment to quality higher education.

Our regional campuses are extremely important to the University and to the citizens of Ohio. Not only do they offer degree programs -- which are particularly important to people who are place-bound and seeking opportunities for advancement, but they also enrich the intellectual, cultural, and economic well-being of our communities in which they are located here in Ohio.

For example, our Mansfield campus is staging a series of one-act plays, several by local playwrights, this weekend. And this month, they are welcoming the National Shakespeare Company's touring production of *Much Ado About Nothing*. There has been wonderful reviews around the country about that production.

Our faculty on all campuses engage in service that brings their scholarly work to bear on real world problems. Ohio State at Marion, for example, co-sponsors a seminar series with the Marion Area Chamber of Commerce known as "Chamber University." These workshops focus on topics that will assist area businesses. Last week, they offered a session on effective advertising. And our Marion campus pursues outreach through an extraordinarily active alumni association with which I recently had the opportunity to meet and speak.

Last month, I was very pleased to travel to our Newark campus to present the Alumni Award for Distinguished Teaching to Associate Professor of Psychology John Skowronski. One of his nominating students pointed out that "Dr. John," as he prefers to be called, is very demanding and his classes are, "not for the weak of heart." His students are actively engaged in research.

In the past three years, five undergraduates have presented papers at professional meetings with his encouragement. A substantial number of regional campus faculty have been honored with this highest award for teaching through the years.

The quality and innovativeness in teaching here on the Lima campus we have just seen and heard about in the presentations that Dean Meek organized for the Educational Affairs Committee: Professor Roger Page on research and the enhancement of faculty and students on the Lima campus; Associate Professor Javad Abdalkhani on cooperative learning in mathematics education, a fascinating initiative; and Associate Professor Charles Moseley on computer simulated teaching in chemistry. As I am sure you will agree after hearing the upcoming report on Ohio State at Lima, we can be very proud of the work being done across the state on our regional campuses.

Outreach is an important core part of our mission at The Ohio State University, and it takes many forms. This mission, as other missions as well, will be enhanced by what Jim Nichols just informed me that our Endowment has crossed over the \$900

PRESIDENT'S REPORT (contd)

Dr. Sisson: (contd)

million mark -- \$914.5 million to be specific. The first time in the history of this University. Hopefully, \$1 billion before July 1, 1998.

Let me give you some examples of the outreach activities that we are engaged in. The Chadwick Arboretum is co-sponsoring an exhibit at the Columbus Museum of Art of Botanical Illustrations: Art in Science. The exhibition presents a number of prints from the University's Emanuel Rudolph Collection of Botanical Illustrations.

The College of Medicine and Public Health is engaged in another form of outreach. As one of only ten medical schools in the country to participate in a pilot program in home health care, our fourth-year medical students will participate in the care of patients in the home, familiarizing themselves with many home care issues. Returning to a kind of medicine and caring that many of us -- certainly in my generation -- experienced as we were growing up.

Students in the College of Law are offering free income tax help to taxpayers on low or fixed incomes, the elderly, or disabled. Through the Volunteer Income Tax Assistance program, they help individuals complete basic federal and state tax returns.

Marcel Marceau offered this last month a mime workshop through our Department of Theater. It was open to students and faculty from all Ohio universities. He was on campus to receive an honorary degree at our Winter Quarter Commencement. By the way, at the ceremony, he asked if he could take his Ohio State University gown and hood to be displayed at his museum in Paris.

Associate Professor of Psychology Sally Boysen was honored as one of the 1998 YWCA Women of Achievement. She is director of the comparative cognition project at the Chimpanzee Center at Ohio State, one of three primate study facilities in the world. She does a tremendous amount of work with elementary and high school students to get them interested in science.

Every day, I see the commitment of the people of Ohio State to serving others. Clearly, this dedication to seeking new knowledge, to building better communities, to enhancing the quality of life for all, guided the all-too-short life of our late Vice President for Research Ed Hayes. Ed was a scholar, a leader, and a teacher whose passion for his work touched the lives of many. We are all still shocked by the loss of our colleague and friend.

I know, too, that the University family lost a Lima campus student last week. Julie West was on a field trip in the Everglades when she was hit by a car. The loss of one so young is felt by the entire University, and I extend our condolences to her family and friends. I would now call and I would ask for us all to rise for a moment of silent comment for these colleagues. Thank you for those words and remembrances.

Mr. Chairman, that concludes my report.

Mr. Shumate:

Thank you, Dick, and also thank you for your continued, outstanding leadership on behalf of the University, we sincerely appreciate it as a Board and as a University community as well.

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CONSENT AGENDA

Mr. Shumate:

Members of the Board, we now have the consent agenda before us. At this time, I would like to ask for a motion to approve the nine resolutions.

REGIONAL CAMPUS BOARD APPOINTMENT

Resolution No. 98-115

Synopsis: Approval of a nominee to The Ohio State University-Newark Campus Board is proposed.

WHEREAS the Board of Trustees on April 8, 1994, approved the establishment of The Ohio State University-Newark Board; and

WHEREAS it has been previously stipulated that "The Newark board shall be composed of eleven members appointed by The Ohio State University Board of Trustees in consultation with the president of the university" (one member of the Newark board shall be a member of the university board of trustees; nine members shall be private citizens; and one member shall be a student); and

WHEREAS the following named person has been nominated and selected for appointment to The Ohio State University-Newark Board to fill the unexpired student term of Katheryn Lloyd, who is studying Winter Quarter and Spring Quarter 1998 in Europe:

Kori M. Pittman, term ending June 30, 1998 (Student Trustee)

NOW THEREFORE

BE IT RESOLVED, That the foregoing nominee be approved as a student member of The Ohio State University-Newark Board, effective January 1, 1998.

NEW DEGREE

Resolution No. 98-116

Synopsis: Establishment of a Master of Fine Arts degree in Industrial, Interior, and Visual Communication Design is proposed.

WHEREAS a change has occurred within the design disciplines, identifying the Master of Fine Arts (MFA) as the "terminal degree" when design expertise is acquired or developed to high professional standards in graduate study; and

WHEREAS employment opportunities for design graduates are now most often conditioned upon completion of the MFA rather than the MA; and

WHEREAS the Department of Industrial, Interior, and Visual Communication Design proposes to implement a new degree program, the MFA in Industrial, Interior, and Visual Communication Design that would offer two tracks: one track with specialization in design practice; and the other with specialization within design research; and

WHEREAS the Department of Industrial, Interior, and Visual Communication Design has the resources and faculty to support both the breadth and specialization of the proposed degree, and no similar degree program is offered in Ohio; and

NEW DEGREE (contd)

WHEREAS the proposed degree program has been developed through a consultative process that has included faculty, students, alumni, and professional organizations and received the approval of the Council on Research and Graduate Studies, the Council on Academic Affairs, and was approved by the University Senate at its March 7, 1998 meeting:

NOW THEREFORE

BE IT RESOLVED, That the proposal to establish the Master of Fine Arts degree in Industrial, Interior, and Visual Communication Design is hereby approved to be effective upon the approval of the Board of Regents.

**REVISION OF THE MASTER OF PUBLIC HEALTH
DEGREE PROGRAM**

Resolution No. 98-117

Synopsis: Revision of the Master of Public Health Degree Program is proposed.

WHEREAS Ohio State University's Master of Public Health program has been a "nontraditional," "weekend" program serving public health professionals; and

WHEREAS there is a growing demand for a Master of Public Health (MPH) program from "traditional" students, in addition to continuing demand and need for the "nontraditional" MPH; and

WHEREAS shifts in accreditation of MPH programs are creating different expectations for such programs across the country; and

WHEREAS the School of Public Health is proposing to revise its MPH to address the needs of both "traditional" and "nontraditional" students, and to meet the expectations of accreditation; and

WHEREAS the proposed revisions of Ohio State University's MPH program would create two tracks for MPH students: 1) the "traditional" track, with weekday courses, will require general background and offer the potential for specialization in one of five different core areas of public health knowledge; and 2) the "nontraditional" track, with weekend courses, will continue to offer a generalist degree; and

WHEREAS these revisions have been developed through a consultative process that has included faculty, students, alumni, and professional organizations, and has received approval by the School of Public Health, College of Medicine and Public Health, the Council on Research and Graduate Studies, the Council on Academic Affairs, and was approved by the University Senate at its March 7, 1998 meeting:

NOW THEREFORE

BE IT RESOLVED, That the revisions of the Master of Public Health Degree Program be approved, effective immediately.

PERSONNEL ACTIONS

Resolution No. 98-118

RESOLVED, That the personnel actions as recorded in the Personnel Budget Records of the University since the March 6, 1998 meeting of the Board, including the following Appointments, Change in Title, Leave of Absence Without Salary, Professional Improvement Leaves, and Emeritus Titles, as detailed in the University Budget be approved and the Medical Staff Appointments/Reappointments (The Arthur G. James Cancer Hospital and Research Institute) approved March 18, 1998, by The Arthur G. James Cancer Hospital and Research Institute Board be ratified.

Appointments

Name: MARILYN J. BLACKWELL
Title: Associate Professor (The Vorman-Anderson Professorship of Nordic Languages and Literatures)
Department: Germanic Languages and Literatures
Effective: July 1, 1998

Name: BRUCE E. BURSTEN
Title: Distinguished University Professor
Department: Chemistry
Effective: October 1, 1997

Name: ARTHUR J. EPSTEIN
Title: Distinguished University Professor
Department: Physics
Effective: October 1, 1997

Name: SHELDON R. SIMON
Title: Professor (The Frank J. Kloenne Chair in Orthopedic Surgery)
Department: Surgery
Effective: April 1, 1998

Name: RAYMOND C. WASIELEWSKI
Title: Assistant Professor (The Judson D. Wilson Professorship in Orthopedic Surgery)
Department: Surgery
Effective: April 1, 1998

Change in Title

Name: DAVID WILLIAMS, II
Title: Vice President for Student and Urban/Community Affairs
Office: Student Affairs
Effective: April 1, 1998
Present Position: Vice President for Student Affairs

Leave of Absence Without Salary

CLAIRE C. ROBERTSON, Associate Professor, Departments of History and Women's Studies, effective Winter Quarter and Spring Quarter 1998, for personal reasons

Professional Improvement Leaves

BHARAT BHUSHAN, The Howard D. Winbigler/Ohio Eminent Scholar in Mechanical Systems, Department of Mechanical Engineering, effective Autumn Quarter 1998 and Winter Quarter 1999.

PERSONNEL ACTIONS (contd)

Professional Improvement Leaves (contd)

KENNETH J. WALDRON, Chairperson and The John B. Nordholt Professor in Mechanical Engineering, Department of Mechanical Engineering, effective Summer Quarter and Autumn Quarter 1998.

MAUREEN AHERN, Professor, Department of Spanish and Portuguese, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

HENRY R. BUSBY, Professor, Department of Mechanical Engineering, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

CAROLE K. FINK, Professor, Department of History, effective Autumn Quarter 1998.

ROSANNE W. FORTNER, Professor, School of Natural Resources, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

JUNKO SHIGEMITSU, Professor, Department of Physics, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

STANLEY R. THOMPSON, Professor, Department of Agricultural, Environmental, and Development Economics, effective Autumn Quarter 1998, and Winter Quarter, Spring Quarter, and Summer Quarter 1999.

MANJULA B. WALDRON, Professor, Department of Civil and Environmental Engineering and Geodetic Science, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

SHEIKH A. AKBAR, Associate Professor, Department of Materials Science and Engineering, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

ANNE L. BOWER, Associate Professor, Department of English (Marion Campus), effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

SAUL CORNELL, Associate Professor, Department of History, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

JERRY L. CURTIS, Associate Professor, Department of French and Italian (Newark Campus), effective Winter Quarter and Spring Quarter 1999.

KIRK A. DENTON, Associate Professor, Department of East Asian Languages and Literatures, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

KRISTEN J. GREMILLION, Associate Professor, Department of Anthropology, effective Autumn Quarter 1998 and Winter Quarter 1999.

PETER L. HAHN, Associate Professor, Department of History, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

DAVID G. HORN, Associate Professor, Department of Comparative Studies, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

GREGORY W. KILCUP, Associate Professor, Department of Physics, effective Spring Quarter and Autumn Quarter 1998, and Winter Quarter 1999.

MARGARET E. NEWELL, Associate Professor, Department of History, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

PERSONNEL ACTIONS (contd)

Professional Improvement Leaves (contd)

WILLIAM F. OGDEN, Associate Professor, Department of Computer and Information Science, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

DHABALESWAR K. PANDA, Associate Professor, Department of Computer and Information Science, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

KEVIN M. PASSINO, Associate Professor, Department of Electrical Engineering, effective Winter Quarter 1999.

ELIZABETH M. RENKER, Associate Professor, Department of English, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

KENNETH H. SANDHAGE, Associate Professor, Department of Materials Science and Engineering, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

HARVEY G. SHULMAN, Associate Professor, Department of Psychology, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

BRIAN H. SMITH, Associate Professor, Department of Entomology, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

WILLIAM J. TYLER, Associate Professor, Department of East Asian Languages and Literatures, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

DELIANG WANG, Associate Professor, Department of Computer and Information Science, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

LONGYA XU, Associate Professor, Department of Electrical Engineering, effective Autumn Quarter 1998, and Winter Quarter and Spring Quarter 1999.

Emeritus Title

JACQUELINE HERKOWITZ, School of Physical Activity and Educational Services, with the title Professor Emeritus, effective January 1, 1998.

LINDA J. BOYNE, School of Allied Medical Professions, with the title Assistant Professor Emeritus, effective April 1, 1998.

Medical Staff--Appointments (The Arthur G. James Cancer Hospital and Research Institute)

February 13, 1998 through August 31, 1998

M. Nicholas Senchyshak, D.O., Associate Attending, Department of Anesthesiology
Todd D. Cohen, M.D., Associate Attending Staff, Department of Surgery
Charles H. Cook, M.D., Associate Attending Staff, Department of Surgery
Deborah A. Martinez, M.D., Attending Staff, Department of Surgery
Rafael E. Villalobos, D.O., Associate Attending, Department of Surgery

March 13, 1998 through June 30, 1998

Robert J. Miller, M.D., Associate Attending, Department of Anesthesiology
Todd E. Pesavento, M.D., Associate Attending, Department of Medicine (Renal)

PERSONNEL ACTIONS (contd)

Medical Staff--Appointments (The Arthur G. James Cancer Hospital and Research Institute) (contd)

March 13, 1998 through June 30, 1999

Elaine A. Beed, M.D., Community Oncologist, Department of Medicine (Hem/Oncology)
Elizabeth A. Brown, M.D., Associate Attending, Department of Medicine (Pulmonary)
Robert S. Crane, M.D., Associate Attending, Department of Family Medicine
Elliott D. Crouser, M.D., Associate Attending, Department of Medicine (Pulmonary)
Wendy Frankle, M.D., Associate Attending, Department of Pathology
Anthony Freeman, D.O., Associate Attending, Department of Anesthesiology

Medical Staff--Reappointments (The Arthur G. James Cancer Hospital and Research Institute)

July 1, 1998 through June 30, 2000

Robert J. Miller, D.O., Associate Attending, Department of Anesthesiology
Vincent A. Romanelli, M.D., Associate Attending, Department of Anesthesiology
Andreas W. Schuster, M.D., Associate Attending, Department of Anesthesiology
Gaylynn J. Speas, M.D., Associate Attending, Department of Anesthesiology
Joseph F. Swan, M.D., Associate Attending, Department of Anesthesiology
Russell P. Woda, D.O., Associate Attending, Department of Anesthesiology
David O. Yablok, M.D., Associate Attending, Department of Anesthesiology
Gary C. Reid, M.D., Clinical Attending, Department of OB/GYN
Subir Nag, M.D., Attending, Department of Radiation Oncology
Charles F. Mueller, M.D., Associate Attending, Department of Radiology
Johannes O. Olsen, M.D., Associate Attending, Department of Radiology
Martin L. Ribovich, M.D., Associate Attending, Department of Radiation Oncology
Dimitrios G. Spigos, M.D., Associate Attending, Department of Radiology

Honorary appointment

Barbara K. Rimer, Dr.P.H., National Cancer Institute

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RESOLUTIONS IN MEMORIAM

Resolution No. 98-119

Synopsis: Approval of three Resolutions in Memoriam.

RESOLVED, That the Board adopt the following Resolutions in Memoriam and that the President be requested to convey a copy to the families of the deceased.

Robert Cole

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on February 25, 1998, of Robert Cole, Professor Emeritus in the Ohio State University Extension.

Professor Cole was born August 27, 1935, in Carey, Ohio. He completed his B.S. in 1957 in Agriculture Education at The Ohio State University and the Master of Arts from Michigan State University in 1966.

Robert Cole began his Extension career in Ohio on July 1, 1957, as the County Extension Agent, Agriculture, in Henry County. He held this position until his retirement on January 31, 1988.

RESOLUTIONS IN MEMORIAM (contd)

Robert Cole (contd)

His contributions in providing excellent Extension educational programs during his career earned him the respect and admiration of his co-workers and associates throughout the state and nation.

On behalf of the University community, the Board of Trustees expresses its sympathy and understanding to his family and friends. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees as an expression of the Board's heartfelt sympathy.

James R. C. Leitzel

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on February 25, 1998, of James R. C. Leitzel, Professor Emeritus in the Department of Mathematics.

Professor Leitzel was born May 27, 1936, in Shenandoah, Pennsylvania. After receiving Baccalaureate and Master's degrees from Penn State and a doctorate from Indiana University, he joined The Ohio State University Mathematics Department in 1965. While serving as vice-chair of the Department of Mathematics, he created and fostered a sense of community among mathematics graduate students. He was instrumental in creating the Master of Arts in Teaching degree program and served as chair of the M.A. coordinating committee from 1980 until his retirement in 1992. Professor Leitzel was also a visiting mathematician and director of special projects for the Mathematical Association of America from 1990 to 1992.

Professor Leitzel provided exemplary service and leadership to The Ohio State University as Secretary of the University Senate from 1984 to 1987.

Upon his retirement from The Ohio State University, Professor Leitzel joined the faculty of the University of Nebraska and later the University of New Hampshire. He devoted himself to the enhancement of mathematics education nationally. He served with many groups concerned with math education, primarily the Mathematics Association of America, but also committees of the National Research Council, the National Council of Teachers of Mathematics and the American Association of the Advancement of Science. At the time of his death, he was co-director of the widely recognized national Exxon Project NEXT (New Experiences in Teaching) providing for the professional development of beginning faculty in mathematical sciences departments.

On behalf of the University community, the Board of Trustees expresses its sympathy and understanding to his family and friends. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees as an expression of the Board's heartfelt sympathy.

William J. Taylor

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on February 15, 1998, of Dr. William J. Taylor, Professor Emeritus in the Department of Chemistry.

William Taylor was born in China in 1916 to a missionary family and spent his early youth there before coming to this country. He received his B.S. degree from Denison University and, in 1942, his Ph.D. from The Ohio State University. He spent one year as an instructor at the University of California, Berkeley and five years as a senior research associate at the National Bureau of Standards studying the physical properties of hydrocarbons. In 1947 he returned to Ohio State University where he spent three years as associate supervisor in the Office of Naval Research Project on low-temperature spectroscopy before being appointed to the faculty in 1950. Upon his retirement in 1985, Dr. Taylor was appointed professor emeritus.

Dr. Taylor's early work spanned a number of areas. His papers on polymer chain flexibility have been cited as benchmark papers in polymer chemistry. He was a co-author of a book on the thermodynamic

RESOLUTIONS IN MEMORIAM (contd)

William J. Taylor (contd)

properties of hydrocarbons. His work on x-ray crystallography has been described as fundamental to that field. He used his mathematical expertise in graph theory to enumerate variants of highly symmetric molecules. In later years he made a number of contributions to quantum chemistry.

William Taylor was an accomplished ornithologist and, with his wife, was dedicated to inspiring the interest of their four children in nature, the arts, and science. He generously donated his personal scientific library to the Department of Chemistry for its special collection in theoretical chemistry.

On behalf of the University community, the Board of Trustees expresses its sympathy and understanding to his family and friends. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees as an expression of the Board's heartfelt sympathy.

Julie E. West

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on March 27, 1998, of Julie Elizabeth Anne West, a student majoring in Natural Resources/Environmental Sciences at the University.

Miss West was born May 23, 1978, in Toledo, Ohio, to Douglas H. and Christi M. Wiggins West. She graduated from Findlay High School in 1996.

Miss West was a member of St. Michael Catholic Church in Findlay. She was a volunteer for the Appleseed Ridge Girl Scout Council of Lima, the United Way of Hancock County and the American Red Cross. She had worked for a year with the Findlay After and Before School Sessions. She received the JC Penney Golden Rule Award in 1996. On June 8, 1996, she bore the Olympic torch in Findlay.

Miss West was an excellent student who brought joy and enthusiasm to the Lima Campus.

On behalf of the University community, the Board of Trustees expresses its sympathy and understanding to her family and friends. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees as an expression of the Board's heartfelt sympathy.

REPORT OF RESEARCH CONTRACTS AND GRANTS

Resolution No. 98-120

Synopsis: The reports on research and other sponsored program contracts and grants and the summary for February 1998 are presented for Board acceptance.

WHEREAS monies are solicited and received on behalf of the University from governmental, industrial, and other agencies in support of research, instructional activities, and service; and

WHEREAS such monies are received through The Ohio State University Research Foundation:

NOW THEREFORE

BE IT RESOLVED, That the research agreement between The Ohio State University and The Ohio State University Research Foundation for the contracts and grants reported herein during the month of February 1998 be approved.

REPORT OF AWARD OF CONTRACTS

Resolution No. 98-121

SOUTH CAMPUS HIGH RISE - ELEVATORS

Synopsis: Acceptance of the report of award of contracts and establishment of contingency funds for the South Campus High Rise - Elevators project is requested.

WHEREAS a resolution adopted by the Board of Trustees on May 5, 1995, authorized the President and/or Vice President for Business and Administration to request construction bids in accordance with established University procedures, and if satisfactory bids were received to award contracts for the following project:

(* Recommended alternates included in these amounts)

South Campus High Rise -- Elevators

This project upgrades elevators in four dormitories (Park Hall, Stradley Hall, Smith Hall, and Steeb Hall) to comply with ADA requirements. The total project cost is \$1,993,411; funding is provided by future University bond proceeds with debt service paid by Housing, Food Service, and Events Centers. The completion date is September 1998. The contracts awarded are as follows:

Design:	Hanbury, Evans, Newell, Vlattas, Norfolk, Virginia
General Contract:	C & N Construction, Columbus, Ohio
Amount:	\$1,646,800 * +
Estimate:	\$1,529,300 *
Mechanical Contract:	Marco Plumbing and Heating, Johnstown, Ohio
Amount:	\$32,562 +
Estimate:	\$23,500
Electric Contract:	Taylor Brothers Electric, Columbus, Ohio
Amount:	\$51,200 +
Estimate:	\$47,000
Total All Contracts:	1,730,562 *
Contingency Allowance:	\$173,056
Total Project Cost:	\$1,993,411

+ The General, Mechanical and Electric Contracts are in excess of the filed estimate of cost; however the total price of all contracts is within 10% of the total estimate of cost and is recommended for award as provided by Section 153.12 of the Revised Code.

NOW THEREFORE

BE IT RESOLVED, That pursuant to the actions previously authorized by the Board, the report of award of contracts and establishment of contingency funds for the South Campus High Rise - Elevators project is hereby accepted.

(See Appendix XL for map, page 713.)

EASEMENT

Resolution No. 98-122

MARION COUNTY

Synopsis: Authorization to grant an easement for the installation of a sanitary sewer on University property located on the Marion Regional Campus is proposed.

WHEREAS the County of Marion has requested a 25-year easement consisting of a strip of land approximately 20 feet in width and approximately 553 feet in length for the installation of a sanitary sewer to service the new Storage and Maintenance Building in the northeast corner of the Marion Regional Campus; and

WHEREAS this easement will serve University property, and the appropriate University offices have recommended the approval of this easement:

NOW THEREFORE

BE IT RESOLVED, That the President and/or Vice President for Business and Administration be authorized to request the Deputy Director of Public Works of the Department of Administrative Services, to act for and on behalf of the University in developing the necessary legal instruments to provide for this easement.

(See Appendix XLI for map, page 715.)

REPORT ON UNIVERSITY DEVELOPMENT

Resolution No. 98-123

Synopsis: The report on the receipt of gifts and the summary for February 1998 are presented for Board acceptance.

WHEREAS monies are solicited and received on behalf of the University from alumni, industry, and various individuals in support of research, instructional activities, and service; and

WHEREAS such gifts are received through The Ohio State University Development Fund and The Ohio State University Foundation; and

WHEREAS this report includes the establishment of The Vorman-Anderson Professorship of Nordic Languages and Literatures and the revision of The Edward Orton, Jr., Chair in Ceramic Engineering changing from a designated chair to a permanently endowed chair; and

WHEREAS this report includes the establishment of six (6) new named endowed funds:

NOW THEREFORE

BE IT RESOLVED, That the acceptance of the report from The Ohio State University Development Fund and The Ohio State University Foundation during the month of February 1998 be approved.

REPORT ON UNIVERSITY DEVELOPMENT (contd)

TOTAL UNIVERSITY PRIVATE SUPPORT
 July-February
 1996-97 Compared to 1997-98
GIFT RECEIPTS BY DONOR TYPE

	Dollars July through February		
	<u>1996-97</u>	<u>1997-98</u>	<u>% Change</u>
Individuals:			
Alumni (Current Giving)	\$ 15,049,689	\$12,066,882	-20%
Alumni (From Bequests)	<u>8,801,001</u>	<u>5,911,062</u>	-33%
Alumni Total	\$ 23,850,690	\$ 17,977,944	-25%
Non-Alumni (Current Giving)	\$ 8,872,896	\$ 7,043,073	-21%
Non-Alumni (From Bequests)	<u>2,091,977</u>	<u>5,429,695</u>	160%
Non-Alumni Total	\$ 10,964,873	\$ 12,472,768	14%
Individual Total	\$34,815,563	\$ 30,450,712	-
13% ^A			
Corporations/Corp. Foundations	\$16,998,634	\$21,080,897	24% ^B
Private Foundations	\$8,799,088	\$ 8,792,593	0%
Associations & Other Organizations	\$ <u>2,931,107</u>	\$ <u>2,126,083</u>	-27% ^C
Total	\$63,544,392	\$62,450,285	-2%

NOTES

- A Individual giving is down 13%. During July-February last year, 290 individuals had given \$10,000 or more (\$24 million). This year during the same period 315 individuals had given \$10,000 or more but the total was \$20.7 million.
- B Gifts of \$10,000 or more from corporations are up nearly \$4.0 million over the first eight months last year.
- C Last year by this time 39 organizations or associations had given at the \$10,000 or more level (\$2.3 million). This year the total is \$1.4 million from 59 organizations or associations.

REPORT ON UNIVERSITY DEVELOPMENT (contd)

TOTAL UNIVERSITY PRIVATE SUPPORT (contd)

July-February (contd)

1996-97 Compared to 1997-98 (contd)

GIFT RECEIPTS BY PURPOSE

	Dollars July through February		
	<u>1996-97</u>	<u>1997-98</u>	<u>% Change</u>
Gift Receipts to Current Use & Endowment Funds:			
Buildings/Equipment	\$ 9,120,388	\$ 14,953,503	64
Faculty Support	\$ 5,964,075	\$ 7,825,402	31
Program Support	\$ 36,531,122	\$ 22,994,324	-37
Student Financial Aid	\$ 5,839,440	\$ 10,128,162	73
Annual Funds-Colleges/Departments	\$ 5,294,757	\$ 5,182,018	-2
Annual Funds-University	\$ <u>794,610</u>	\$ <u>1,366,876</u>	72
Total	\$ 63,544,392	\$ 62,450,285	-2

GIFT ADDITIONS TO ENDOWMENT

Dollars
July through February

<u>1996-97</u>	<u>1997-98</u>	<u>% Change</u>
\$28,888,321	\$26,462,771	-8

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND

	<u>Previous Gifts</u>	<u>Current Gifts</u>	<u>Total Gifts</u>
<u>Establishment of Endowed Named Chair</u>			
The Edward Orton, Jr., Chair in Ceramic Engineering (Research and Teaching Support for Edward Orton, Jr., Chair in Ceramic Engineering - College of Engineering)	\$1,505,500.00	\$1,505,500.00	
<u>Establishment of Named Endowed Funds</u>			
The Marshall Cox Fund for the Center for Socio-Legal Studies (Support for annual operating expenses of Socio-Legal Studies Center - College of Law)	\$50,431.00	\$50,431.00	

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)

	<u>Previous Gifts</u>	<u>Current Gifts</u>	<u>Total Gifts</u>
<u>Establishment of Named Endowed Funds (contd)</u>			
The Richard C. Hannon Ceramic Engineering Memorial Fund (Support for enhancement of Ceramic Engineering programs - College of Engineering)	\$16,500.00		\$16,500.00

THE OHIO STATE UNIVERSITY FOUNDATION

	<u>Previous Gifts</u>	<u>Current Gifts</u>	<u>Total Gifts</u>
<u>Establishment of Named Endowed Professorship</u>			
The Vorman-Anderson Professorship of Nordic Languages and Literatures (Support of Professor in the Department of Germanic Languages - College of Humanities)		\$750,000.00	\$750,000.00
<u>Establishment of Named Endowed Funds</u>			
The Margaret Miller Holloway and Harry Harrison Holloway, Jr. Scholarship Fund (Merit Based Scholarships - University Honors Center)		\$1,402,820.70	\$1,402,820.70
The Harold Brenner Pepinsky Research and Lectureship Fund (Lectureship and research award - College of Medicine and Public Health)		\$51,687.50	\$51,687.50
The Jameson Crane MBA Fellowship (Fellowships for MBA Students - Fisher College of Business)		\$50,000.00	\$50,000.00
The Hauck Family Scholarship Fund (Scholarships - Department of Athletics)		\$25,000.00	\$25,000.00
Total	\$16,500.00	\$3,835,439.20	\$3,851,939.20

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)

ESTABLISHED OF ENDOWED NAMED CHAIR

The Edward Orton, Jr., Chair in Ceramic Engineering

The Edward Orton, Jr., Chair in Ceramic Engineering was established formally as a designated chair program on March 2, 1990, by the Board of Trustees of The Ohio State University with annual gifts to The Ohio State University Development Fund from the Edward Orton, Jr., Ceramic Foundation of Westerville, Ohio. The Edward Orton, Jr., Chair in Ceramic Engineering was established permanently as an endowed chair and the description revised on April 3, 1998, by the Board of Trustees after the fund grew to sufficient size to become endowed. The additional gifts were donated by the Transportation Research Center, Inc. (TRC) of East Liberty, Ohio, The Edward Orton, Jr., Ceramic Foundation, John M. Shepherd (B.Cer.E. '58; M.B.A. '59) and many other graduates, faculty and friends.

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

This permanent fund is a tribute to Edward Orton, Jr., who is well remembered as the founder of ceramic engineering education in America and as a leader in the ceramic community. Edward Orton, Jr., recognized the importance of developing new information for ceramic manufacturers. An accomplished mining engineer and geologist, he made every effort to make The Ohio State University a leader in ceramic research and education, beginning in 1894. Upon his death in 1932, he left his company to continue as the Edward Orton, Jr., Ceramic Foundation in order to carry on his work to benefit the ceramic arts and industries. Development of new knowledge through research is one of the Orton Ceramic Foundation's purposes. For more than a century, the contributions of Edward Orton, Jr., and his Foundation have contributed consistently to the international growth of ceramics.

The goals of the Orton Chair are to enhance industrial/university relationships and to broaden the contributions of ceramic educational programs in regard to the manufacture and use of ceramic materials. Special emphasis will be given to thermal processing, a technical area which was of special concern to Edward Orton, Jr. The Orton Chair will be expected to place additional emphasis on the thermal processing of ceramic materials for use in automotive and other transportation systems.

The annual income will be used by the Orton Chair to support research and teaching. No portion of the earnings will cover the Chairholder's salary, benefits, necessary staff, costs of equipment, supplies, utilities and all other costs customarily incurred in support of an endowed chair position at the University. These other funds are to be provided by The Ohio State University in accord with the Memorandum of Understanding with the Orton Ceramic Foundation dated November 30, 1994.

Selection criteria for the Orton Chair shall be established by the Chairperson of the Department of Materials Science and Engineering, in consultation with TRC and the Orton Ceramic Foundation. The person selected will have a strong international, academic and industrial reputation in ceramic engineering with considerable experience in the field. Appointment will be recommended by the Department of Materials Science and Engineering Chairperson in consultation with the Department's faculty, the Orton Ceramic Foundation's Research Director, and TRC's President. The recommendation will be forwarded for approval to the Dean of Engineering, the Senior Vice President and Provost, and the Board of Trustees.

The Orton Chairholder will be encouraged to spend up to 20% of his/her time on projects of the Orton Ceramic Foundation for which he/she will be separately compensated by the Foundation. The Chair and the Department's Chairperson will be jointly responsible for providing the Orton Foundation with quarterly statements. The Orton Foundation will have the right at reasonable times to inspect the books and records of the Orton Chair endowment and the application of the income therefrom.

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND (contd)

ESTABLISHED OF ENDOWED NAMED CHAIR (contd)

The Edward Orton, Jr., Chair in Ceramic Engineering (contd)

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the appropriate college dean, department chairperson or program administrative officer in order to carry out the desire of the donors.

\$1,505,500.00

ESTABLISHMENT OF NAMED ENDOWED FUNDS

The Marshall Cox Fund for the Center for Socio-Legal Studies

The Marshall Cox Fund for the Center for Socio-Legal Studies was established April 3, 1998, by the Board of Trustees of The Ohio State University with gifts to The Ohio State University Development Fund from Marshall Cox (J.D. '58), New York, New York.

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall be used at the discretion of the Dean of the College of Law for supporting the Socio-Legal Center's annual operating needs.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees as recommended by the Dean of the College of Law in order to carry out the desire of the donor.

\$50,431.00

The Richard C. Hannon Ceramic Engineering Memorial Fund

The Richard C. Hannon Ceramic Engineering Memorial Fund was established April 3, 1998, by the Board of Trustees of The Ohio State University with gifts to The Ohio State University Development Fund from the family and friends of Richard C. Hannon, Sr. (B.Cer.E. '50).

All gifts are to be invested in the University's Permanent Endowment Fund, under the rules and regulations adopted by the Board of Trustees of The Ohio State University, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to commemorate Richard C. Hannon, Sr., and his desire to advance the quality of Ceramic Engineering teaching and research at the University. The Chairperson of the Department of Materials Science and Engineering will be responsible for allocating these discretionary earnings in ways to enhance Ceramic Engineering programs.

It is the desire of Mr. Hannon's family that this fund should benefit Ceramic Engineering in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Board of Trustees in consultation with the Department of Materials Science and Engineering's Chairperson in order to carry out the desire of the donors.

\$16,500.00 (Grandfathered)

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY FOUNDATION

ESTABLISHMENT OF NAMED ENDOWED PROFESSORSHIP

The Vorman-Anderson Professorship of Nordic Languages and Literatures

The Vorman-Anderson Professorship of Nordic Languages and Literatures was established April 3, 1998, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts to The Ohio State University from the estate of Helen Vorman-Anderson, (B.S.Ed. '23; M.A. English '31 from The Ohio State University) formerly of Salinas, California.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to support a professor in the Department of Germanic Languages and Literatures who has primary responsibility for the teaching of Nordic Languages, with a special emphasis on the Swedish language and literature.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board as recommended by the Dean of the College of Humanities, in conjunction with the Chair of Germanic Languages and Literatures, in order to carry out the desire of the donor.

\$750,000.00

ESTABLISHMENT OF NAMED ENDOWED FUNDS

The Margaret Miller Holloway and Harry Harrison Holloway, Jr., Scholarship Fund

The Margaret Miller Holloway and Harry Harrison Holloway, Jr., Scholarship Fund was established April 3, 1998, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts designated for support of merit-based scholarships from contributions from the estate of Harry H. Holloway, Jr. (B.S.Bus.Adm. '42) of Litchfield Park, Arizona.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide full tuition scholarships plus books for Ohio resident undergraduate students (1) whose high school grade point averages were equal to or greater than 3.2 on a 4.0 scale, (2) who maintain grade point averages of 3.0 or better while attending The Ohio State University, and (3) whose family incomes are greater than or equal to \$55,000 (measured in 1993 dollars). First preference shall be given to those students qualifying as Medalist Scholars. The scholarships will be administered by the University Honors Center in consultation with the Office of Admissions and Financial Aid. In addition, if a scholarship recipient enrolls in ROTC and completes a four-year ROTC program, he or she shall receive the sum of five hundred dollars (\$500.00).

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the appropriate college dean, school director, department chairperson, or program administrative officer in order to carry out the desire of the donor.

\$1,402,820.70

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY FOUNDATION (contd)

ESTABLISHMENT OF NAMED ENDOWED FUNDS (contd)

The Harold Brenner Pepinsky Research and Lectureship Fund

The Harold Brenner Pepinsky Research and Lectureship Fund was established April 3, 1998, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Pauline Nichols Pepinsky, Ph.D., of Worthington, Ohio, in honor of her husband, Harold Brenner Pepinsky, Professor Emeritus in the Department of Psychology.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to support a lectureship and research award in the College of Medicine and Public Health by a promising scholar who has demonstrated outstanding scientific achievement and who has advanced knowledge in cognitive neurology and neurogenerative disorders. The award shall recognize and provide support for such an individual who is at an early stage in his/her career, i.e., no more than nine years following completion of his or her terminal degree (Ph.D. or M.D.). Selection shall be made by an awards committee whose members shall be selected by the Associate Dean for Research and/or the Dean of the College of Medicine and Public Health, and will include faculty representing relevant areas of study in the neurosciences. In the award selection process, special consideration should be given to candidates engaged in interdisciplinary projects. The recipient may be, but is not restricted to, faculty and researchers of The Ohio State University.

The awardee shall present a scholarly address focused on his or her research at an annual or semi-annual Pepinsky Lectureship event, and receive an award in support of his or her research. Associated travel expenses and a financial award may be provided as applicable. The award may be given annually or as income permits, and unused income may be added to principal or compounded to use in subsequent years, at the discretion of the awards committee. Selection of the recipient shall be made in consultation with the Chairperson of the Department of Neurology and the Dean of the College of Medicine and Public Health.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the Chairperson of the Department of Neurology and the Dean of the College of Medicine and Public Health in order to carry out the desire of the donor.

\$51,687.50

The Jameson Crane MBA Fellowship

The Jameson Crane MBA Fellowship was established April 3, 1998, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts designated for support of The Max M. Fisher College of Business with a contribution from Jameson Crane (B.S.Bus.Adm. '47).

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide a fellowship(s) to MBA students. Selection shall be made by the academic director of the MBA Program with formal approval by the Dean.

REPORT ON UNIVERSITY DEVELOPMENT (contd)

THE OHIO STATE UNIVERSITY FOUNDATION (contd)

ESTABLISHMENT OF NAMED ENDOWED FUNDS (contd)

The Jameson Crane MBA Fellowship (contd)

It is the desire of the donors that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board in consultation with the appropriate college dean, school director, department chairperson, or program administrative officer in order to carry out the desire of the donors.

\$50,000.00

The Hauck Family Scholarship Fund

The Hauck Family Scholarship Fund was established April 3, 1998, in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from the Hauck Family Foundation. This scholarship was established by Paula and Pete Hauck, Laura Hauck, Nancy Hauck McMahon and Thomas Hauck, Trustees of the Foundation, in memory of Pete's father, Carl P. Hauck (B.M.E. '14), and Paula's uncle, John N. McAfee (B.S.Ed. '35), a baseball letterman in 1933, 1934 and 1935.

All gifts are to be invested by the Foundation, under the rules and regulations adopted by the Foundation's Board of Directors, with the right to invest and reinvest as occasion dictates.

The annual income shall be used to provide scholarships to student athletes who are members of the baseball team pursuing undergraduate degrees at The Ohio State University. Recipients shall be selected by the Director of Athletics in consultation with the University Committee on Student Financial Aid.

It is the desire of the donor that this fund should benefit the University in perpetuity. If the need for this fund should cease to exist or so diminish as to provide unused income, then another use shall be designated by the Foundation Board as recommended by the Director of Athletics in order to carry out the desire of the donor.

\$25,000.00

Upon motion of Mr. Celeste, seconded by Mr. Skestos, the Board of Trustees adopted the foregoing resolutions by unanimous roll call vote, cast by Messrs. Shumate, Celeste, Skestos, Brennan, Patterson, and Slane, and Ms. Longaberger.

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STUDENT RECOGNITION AWARD

Ms. Rofagha:

A graduate student pursuing a Master's of Education degree, Lynda S. Passaro graduated summa cum laude from The Ohio State University in Lima, in March 1997, with a Bachelor of Science degree in Education. Notably, as an undergraduate, Lynda was chosen for the President's Salute to Undergraduate Achievement. Today, however, we recognize Lynda for her dedication and service to Ohio's public school system and bettering the quality of life of Ohio's young citizens through education.

Within her graduate program, Lynda has gained invaluable, comprehensive field research at Ohio's rural, suburban, and urban schools in Waynesfield, Kenton, Lima

STUDENT RECOGNITION AWARD (contd)

Ms. Rofagha: (contd)

and Bellefontaine. From planning and administrating a language arts unit, which incorporated drama, art, and creative writing to adapting her plans to meet the needs of a particular student, Lynda has complimented her in-class education with practical experiences that correspond to the University's mission of public service and engagement.

Lynda's dedication to service has extended beyond the public schools system. As an assistant troop leader of the Girls Scout's of America and within the Buckeye Book Club, she has implemented a literature-based unit for children in a low income housing development. At a time of important recognition by educators, legislators, and citizens alike, education in Ohio from kindergarten to college is seamless, the preparation that Lynda has received at The Ohio State University has and will serve the residents of Ohio well.

If Lynda would please come forward, it would be my honor to present the Student Recognition Award on behalf of the Board of Trustees at The Ohio State University to Lynda S. Passaro, in recognition of her outstanding service to The Ohio State University community.

Mr. Shumate:

Lynda, congratulations and we would certainly like to offer you the opportunity to address the Board and members of the audience.

Ms. Lynda S. Passaro:

I have a great story that tells exactly what this education the last three and a half years has meant to me. When Dr. Sisson was talking about outreach, I thought about this.

I had a mother come up to me the other day during classes and she said, "You are the Ohio State student, right?" I said, "yes." She said, "I would just like to thank you for taking the time to talk to my daughter. You really touched her life and you made a difference." I feel that this is what my education has done for me, and I hope to be able to do that for other people as well.

Thank you for recognizing my efforts and my hard work, and I hope to keep working hard. Thank you.

Mr. Shumate:

Thank you, and congratulations once again.

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LIMA CAMPUS PRESENTATION

Mr. Shumate:

At this time, we would like to focus on The Ohio State University Lima Campus and that presentation is going to be introduced by Jim Patten. Jim is a student member of the Board of The Ohio State University at Lima.

LIMA CAMPUS PRESENTATION (contd)

Mr. Jim Patton:

Good morning. I am Jim Patton the student representative to The Ohio State University Lima Board of Trustees. I would like to welcome you to the Lima campus, where we are proud to be holding this meeting of The Ohio State University Board of Trustees. At this time, it is my honor and great privilege to introduce to you our Dean and Director, Dr. Violet Meek.

Dean Violet Meek: [video presentation]

Thank you, Jim. We are going to try and do a PowerPoint presentation to show you some of the scenes on the campus. Somebody asked me the other day, "How many of your students go to Ohio State?" and the answer is every last one of them. Our students are Ohio State students taking Ohio State courses from Ohio State faculty from the moment they walk in the door. Our mission is to be Ohio State University, but to be it here in west central Ohio and to increase the educational opportunities for the people here in our region.

Here we are, this is the family. Our motto is "Study with the Best," and we mean that. You'll meet some of our dedicated staff here in a few minutes, but our faculty members are remarkable. You have seen out in the halls some of the fruits of their research just in this year. There are five books out from this small faculty. Three more are under contract and that is just from the people who are in book disciplines. Take a look out there and see what they are doing. Some of the people who are in journal publications have been doing things like public policy for urban affairs, have had national recognition for some studies, and they are great teachers, as you saw this morning.

But what are regional campuses? Regional campuses are a dynamic combination of the personal attention of the small college -- and, I think, that you saw that this morning -- and the quality and the international reputation of a Big Ten university. We try to portray both of those.

Our students range from members of our Institute for Learning and Retirement -- that elder hostel -- through professionals fulfilling continuing education requirements and our new enhanced continuing education programs, though our traditional students, about half of whom are of non-traditional age -- just like our student honoree. Many of them have children, families, mortgages and even if they wanted to, couldn't leave this community right away.

Perhaps our most precious students -- that some of you met this morning -- are our Academy students. Those are students who are still in high school, who ran out of courses before they ran out of time, some of whom are extraordinarily bright and very lonely. They come here and for the first time, they find intellectual peers and it is marvelous to see them take off.

This is our work place downtown. Dr. Sametz will talk about it, but this is full of work and we want you to know that everybody works. We have worked on a new and invigorated program of internships so that our graduates too, are ready for work when they leave us.

Students can complete two years of study towards most of Ohio State's undergraduate programs, and the only one they really can't start is dance. They can complete four-year programs in English, psychology and, of course, education. There are master's courses in education, adult education, and parts of social work.

LIMA CAMPUS PRESENTATION (contd)

Dean Meek: (contd)

This is the campus, it is almost a square mile. The two red marks are where the new buildings will be. You can see the new science building. We have a natural area that is in part of a learning laboratory. We have been operating in a 1960's high school lab, so this is going to make a tremendous step forward.

This is our new Agricultural Services Center. We are the first regional campus in the state, and we think perhaps in the nation, that has actually brought the county extension service onto the campus where it is a part of Ohio State and belongs. We expect that to be a very fruitful combination.

This shows the budget. About the only thing that you really have to see on our income budget is there is no money from Columbus. We are entirely on our own and on our own state subsidy. The expense budget -- what this is is payment for services that Columbus provided for us, and actually, it is a good value for the money and the working relationship there has been marvelous. We also have about \$3.6 million in student financial aid and way too much of it is in loans, but we are working on it.

Technology-based learning is really important to us. We have had computer-based instruction for a long time, now our distance learning classroom is open and busy. We just got a grant from Sprint to put more equipment in and we are experimenting with Columbus on distance learning that does not require a bridge, but actually goes over the internet. We are sharing the cost 50/50 and that is going to be an issue as time goes on.

This is our library. Our library is the largest of the four regional campus libraries. We also do outreach, too. In the same building where our programs are downtown, we also put our bookstore called the Buckeye Pride Shop.

We take our students all over the place: this is a geology field trip, and this was the study tour to Prague this last year. Theater for young audiences is another outreach program. Thirty-four hundred grade school students were here last fall to see this production. This is the Lima Campus Chorus, which is our glue and was the beginning of the Lima Symphony Chorus, which is also an outreach from here. We are outreached and engaged and delighted that you are here.

I'd like for you now to hear from other members of the community. Mayor David Berger is here from the City of Lima to talk to you today.

Mayor David Berger:

Welcome. I am privileged to be here this morning and to try to perhaps offer you a little perspective from the community of Lima and Allen County.

I was struck, as Dr. Sisson was describing your interaction here, really in two ways. One is that this is really an important activity, and I am sure that you know that. But I want to emphasize to you how important it is that you are at the regional campuses. Every once in a while, about every six to eight months, I go out to all of the City operations and meet with 17 employee groups. The only way that I learn what I learn in those visits is by going out there and I am sure you are familiar with the phrase, "management by walking around." That's what you are doing. I think that it is vitally important that you become aware, personally, with the people, the facilities, and the

LIMA CAMPUS PRESENTATION (contd)

Mayor Berger: (contd)

communities that Ohio State University has throughout this state. The only way that you can do that is by personally investing your own time, as you are now doing, to gain that perspective.

The other thing that I will share with you -- and Dr. Sisson pointed out the kinds of involvements that regional campuses have -- is that the City of Lima, along with Ohio State, has undertaken a couple of initiatives, one of which is on point to at least what you are talking about in your Board meeting. The other is one which is, I think, vitally important to our community. That has been a partnership that we have engaged in that we have called Study Circles. With the team of people from Ohio State and from the City of Lima, along with literally now hundreds of volunteers from our community, we have been engaged in a dialogue process on issues of race and violence in our community for five years.

As a part of the leadership which Ohio State has provided, about midpoint in those five years professors here at the University did a formal evaluation -- both a pre-experience and post-experience evaluation -- of whether Study Circles and face-to-face dialogues on issues of race made a difference. I can tell you anecdotically how important that has been, but we now have some data that also demonstrates clearly that the investment of time and energy that we are all making in dealing with, confronting, and ultimately celebrating issues of diversity are very, very important to our community. And Ohio State has brought a kind of expertise to that process that we wouldn't have had otherwise.

The other kind of joint task that we have been involved with, which is on point to your business here today, was an effort several years ago in which I chaired an AdHoc Higher Education Taskforce for our community. Part of the background to that is that this campus has been in our community for thirty-six years. Until probably a half a dozen years ago, what had been the course of things at the campus had always been the course of the things at the campus. I think in our community there also was a sense that things would move along and continue to move along without much upset.

In our community, however, we have had lots of upsets. From a period of 1992 through 1996, we lost 8,000 industrial jobs related to defense downsizing. We lost \$300 million in annual payroll and impact in our community. That kind of hit on the chin is something that we won't dwell on, but I can tell you is a very difficult circumstance for a community our size to be able to accommodate. In that context, the question of where are we going to go was asked in large and small ways. In small ways individuals with households and families asked themselves what are we going to do. What most of them decided to do -- most of the 8,000 people who were dislocated as a result of those defense downsizing jobs -- was to stay right here and put themselves on the road or to put themselves in school. And the kind of rootedness that is a part of Lima, Ohio, and the region of Allen County is a dimension that I don't think any of us could really appreciate until we looked at that kind of dislocation.

My point is that people in Lima, Ohio, are here and we are here to stay. The only way we will prepare ourselves for the next millennium and the kinds of changes we will see with the global economy, is if we create educational opportunities right here that people with families and people with other responsibilities can access.

LIMA CAMPUS PRESENTATION (contd)

Mayor Berger: (contd)

I want to applaud what has been done thus far. You are certainly seeing the evidence of a very vigorous educational community with the kind of buildings that are now under erection and those that have been built in the last couple of years. I also want to applaud the expansion of the four-year programs and simply say to you, more of that needs to happen here.

As the mayor of a community which has been seriously affected by the kinds of changes that have gone on as peace has broken out throughout the world and as our global economy has come front and center right here in Lima, Ohio, the only way long-term, that we will succeed is if we have educational opportunities here that people can access. I appreciate that you are taking the time out today to be here in Lima, in my community. And, I know, that people that are a part of this campus appreciate that you are here as well. Thank you.

Dean Meek:

I would now like to introduce Roger Page, Professor and chair of our Psychology Club.

Dr. Roger Page:

Thank you, Violet. I just wanted to say a few words about life in the Department of Psychology here on the Lima campus. It was almost five years ago when, in response to the community and in order to serve those place-bound individuals, we became the first regional campus to offer all of the courses towards the bachelors degree in psychology. Those individuals' message to us was loud and clear -- to further their education they needed more four-year degree offerings. Other institutions were simply out of the question due to either travel or financial hardships that they imposed.

Today these non-traditional students make up a large percentage of our student body, probably close to 50 percent. Our students in psychology have formed a very active campus Psychology Club. Several have been inducted into Psi Chi, which is the national honor society for psychology majors.

In addition, a number of students have gotten actively involved in research projects which have resulted in presentations at not only undergraduate conventions around the country, but also at scientific meetings of professional societies that are national in scope. For example, I think that we had two students who presented papers last year at the 105th annual convention of the American Psychological Association, which is one of the largest professional organizations in the country, if not, the world.

To sum up, we are very, very proud of our students and, as Dr. Sisson had mentioned earlier, the University's pride in its regional campuses. We too, are proud to be part of The Ohio State University and I know that our students are also proud to be part of the Ohio State tradition. Thank you.

Dean Meek:

Next we have Max Mohler, Coordinator for Agriculture Programs.

LIMA CAMPUS PRESENTATION (contd)

Mr. Max Mohler:

I am relatively new here, I have been here a year and a half. I guess that I would like to tell you of some of the activities that agriculture has been doing.

One of our primary purposes was to increase the awareness of agriculture here on the campus and also to increase our presence in our community. I don't believe that this would have happened if OSU Lima had not shown an interest in the community. I also do not believe that this would have happened if I didn't have a very active, working Agriculture Advisory Committee, which represents a cross-section of agriculture in our community.

When I mention agriculture a lot of people get an idea that we are talking about production and strictly farmers. I think the first thing we had to realize is that agriculture is food, agriculture and environmental sciences, and I am sure all of you know it is the largest industry in Ohio, and a major emphasizes in this particular area.

On our committee -- to give you some idea of who represents agriculture and who comes from our community -- we have individuals who are agriculture teachers, Extension agents, farmers, and bankers. We also have the RCS (Natural Resources), the Salt and Water Districts, the Farm Services Agency, the Northwest District Extension Specialist in farm management, agronomy, pest management, and water quality, agriculture retailing, grain handling, processing, and merchandising. So I think that if you look at our community we have pretty well crossed all areas of occupations related to the agriculture industry. There are twenty-four members on the committee and there is also usually 7 to 8 faculty members attending.

Once the committee matured to the point where we got into interest groups, the twenty-four members had a chance to work in sub-committees. We eventually divided into undergraduate, graduate, adult education, and land resources. I would just like to tell you some of the things that are happening in each one of the areas.

Undergraduate education -- just this last week, the Agriculture Committee gave us full support to start to look and to offer an agri-business four-year degree here on campus. By giving us full support, their initiative, at the present time, is looking at 75-100 volunteers from the community to help market this particular effort.

Graduate and adult education -- this last winter, we just went through a crop production wheat course that was delivered from main campus through our distance learning technology to all of the regional campuses. We looked at forty-five students and we also looked at a cross-section of undergraduate, graduate, continuous education credits, and for non-credits. So we looked at a mixed group and got back a very good evaluation of that particular technology. It is a real good and efficient delivery of education.

Land resources -- at the present time we are working on a five-year plan. We do have 560 acres here and 229 acres is crop land. Hopefully, by the end of this summer, we will be finished with the conservation part of the plan, which includes filter strips, wetlands, waterways, wooded wet-lands, along with prairie warm and cool season grasses. Thank you.

Dean Meek:

Next is Lynn Sametz, Coordinator of the School-to-Work Program.

LIMA CAMPUS PRESENTATION (contd)

Dr. Lynn Sametz:

I am coordinator of the School-to-Work Program, as well as the Educational Outreach programs here. I will say, like Max, I have only been here for a year and a half, and in that short amount of time we have five new programs going.

The first program started in 1996 and is the Work Place 2000 Partnership, and you saw two brief slides on the work place in Violet's presentation. Work Place enables children in an eight county area to come and experience the world of work in a four-hour field trip.

They begin with assembling a 20-foot replica of the Lima Superpower Locomotive to show them the world of work as it was. Then they move into the global market place through a computer simulation and have to solve a problem with the world music tour, which is a benefit, to look at the world of work as it now is. Both programs require cooperation and teamwork to get the job done. Kids get through the Superpower Locomotive in 90 minutes; it takes adults closer to 3-4 hours. So there is an adult training component also.

We have added other outreach and engagement activities. The first one is the Many Hats of Agriculture Mystery Theater, which we take out to third and fourth grade classrooms in the eight county area. I am saying eight county because it is School-to-Work and it is not exactly the same overlap. This enables kids in third and fourth grades to get introduced to agri-business in West Central Ohio, to become acquainted with Ohio products, and to think about more than 30 careers related to agri-business. It really does demonstrate to them their daily relationship to agriculture. We have gotten some wonderful reviews from both teachers and parents, because parents are involved as volunteers in the program. We have wonderful expansion plans for this one if they get funded.

There are two new School-to-Work activities that we started in January -- both funded through the State. One targets young offenders, and the other targets teen parents and Head Start parents. These are two populations generally underserved by schools and we thought that we could help meet a community need here. They are both partnerships with the community and built on community resources with the hopes that when grant money ends, they will be self-sustaining programs.

The last initiative that we have, which actually began last September, is an OSU CARES seed grant, which we are delighted to have. This is building new linkages in teacher education. We have asked faculty from different areas to partner with community members to develop materials that can be used for applied academics, in-service, and pre-service materials. So that when we send our new teachers out and when our current teachers come back, they will have a better sense of community. So all of these really are outreach and engagement activities, and I will say that they are a lot of fun.

Dean Meek:

This is Barbara Thompson, who is our very first English graduate.

Ms. Barbara Thompson:

Thank you. Well, you know, when I turn off of Mumaugh Road onto the campus, I have an inner warmth that takes over, almost a spirituality. I am dedicated to this campus and what it has done in my life. I stand before you a mother of six and a grandmother of fourteen, and probably the most non-traditional of non-traditional students.

LIMA CAMPUS PRESENTATION (contd)

Ms. Thompson: (contd)

I went to Ohio State University in 1954 and I was a journalism major. After one year of absolutely scraping -- the pop machines were a nickel then and there were many evenings in Canfield Hall when I did not have the nickel for the pop machine -- I went home, got married and had this family. I knew that my 20's and 30's would be consumed by birthing and rearing, and my 40's consumed educating this family, but my 50's would be mine.

So in 1989, I came back to Ohio State University scared to death. The first night here, for an evening course, I parked halfway to Delphis, way in the hinter lands. I worked up my courage and started across the parking lot walking towards Galvin Hall at my best clip, and everybody passed me. I thought if this is going to happen in the parking lot, what is going to happen to me in the classroom? To make a very long story short, it was an incredible experience thanks to the generosity and compassion and everything else that I can think of -- professors like Drs. Bill Sullivan, John Hellmann, William Angel, and Nan Arbuckle. They gave me inspiration and understanding, and I've made it. I graduated at 57.

Today, four years later, I am the community development coordinator at a residential campus, in Van Wert, Ohio, 45-minutes up the Lincoln Highway towards Indiana. A residential campus for delinquent boys -- sixty delinquent boys -- and I am everybody's grandma. I could not have interviewed for the job without my degree.

When people said to me, when I graduated in the summer of 1993, "Well, what are you going to teach, Barbara?" and "Where are you going to teach?" I said, "I am not going to teach." "You are not going to teach, then why in the world did you go through all of that?" I guess they just didn't realize that education can take you into any area, any dream, and anything that you have ever hoped for.

I have been a professional writer for 45 years; I started as a cub reporter at 16. But my best hours, my best years, my brightest days are ahead. And when I retire at 65, in three and a half years -- and I won't go into the days, hours, and so on -- then I will write for me. My goal, of course, is to be published. Maybe someday I will see you at a signing party somewhere.

I love this institution, I am devoted to it, and I promote it in every waking hour. When I told everyone back at Star Commonwealth that I was going over to the University today to speak to some very distinguished guests, they all shared my joy. So thank you for this opportunity. You have no idea what role OSU has played in my life and in my productivity. A very unexpected divorce after 36 years could have been a set back, but I knew that I could either slide or grow. I grew, and it's because of Ohio State.

I have the largest Buckeye tree in my backyard, with a tree house and a bridge from a second-story deck. My radio program is "A View From the Tree House." Let me tell you folks, next week, this will be the view from the tree house. Thank you.

Dean Meek:

Kelly Richards was our student trustee last year and she is an honors graduate from the College of Business.

Ms. Kelly Richards:

Thank you. In 1979, I graduate from Elida High School, a local high school, and I was more concerned, at that time, about what was in my social calendar, than what

LIMA CAMPUS PRESENTATION (contd)

Ms. Richards: (contd)

was ever in a textbook. I think I graduated 171 out of 300 students. After high school, I went to Columbus Business College to be a legal secretary and started my career as a secretary. I got married, had two kids, and realized that after working for 16 years, I did not have a pension plan and I was in a field that did not challenge me whatsoever.

At that time, Ohio State Lima was offering a program called WIN, "Women in the Nineties." It helped me decide on a direction and career, and it taught me how to juggle family, school, and work -- successfully, I might add. I enrolled in Ohio State Lima, attended the Lima campus for four years, and received a degree in business administration in human resource management.

For the last four quarters of my school year, I commuted to Columbus. Now this trip was made a little bit easier because I, like Mayor Berger, had lost my job due to defense downsizing. I had the time necessary to commute back and forth, but I didn't have the funding. It was a very expensive trip. I was on the JTPA program and they paid me \$3.00 a day in gas, so that was a struggle. Last June, I surprised myself by graduating summa cum laude in a downpour.

Currently, I am a vice president at OutServices Network. My primary duties are working with local businesses and finding employees, primarily in the professional fields.

Last night on TV-35, I saw you all being interviewed, and they said that you were here to find out how to help OSU Lima. I work with local businesses and understand the employment needs. I also interview employees, primarily in the professional fields and I always ask the question, "If you could do anything regardless of any barriers, either economic, geographical, or educational, what would you do?" And my second question is always, "What is preventing you from accomplishing these goals more quickly?" The answer is always, for both the business and the professionals, "I need a four-year degree."

Employers need employees with four-year degrees. We have the people here in this community that would like to get them. We primarily need them in the business field.

Now I don't mean to get you in trouble, Dean Meek, and I know the Board for the last two days have heard this, but we do need four-year degrees. I would like to see it go on. I would like to get my MBA. I can't say what is going to be in my future, because I need those kinds of things to help me along with my career. So thank you for listening and good luck.

Dean Meek:

Well we raise them to be independent! That concludes our presentation and we will answer questions at lunch because I know that you want to keep on schedule. Thank you very much for listening to us, and thank you for coming, too.

Mr. Shumate:

Thank you very much for your very informative and excellent presentation. Dean Meek, I was one of your students, so I know that you raised us to be independent. Seriously, we thank you for your presentation. I would like to ask any Board members if they have any responses or comments to the presentation.

LIMA CAMPUS PRESENTATION (contd)

Mr. Brennan:

Just a general observation that was made before by the number of speakers that we heard yesterday and today. All of us up here are part-time Trustees, full-time doing something else, but each of us already learned in other daily activities that the only way to find out what is going on is to talk to the people involved. Violet, you have done a fine job of presenting this program for us today and we have heard from the people for whom it is happening. I want to tell you those stories of those two ladies had me almost in tears.

Mr. Shumate:

Thank you very much, David. I know you summarize the sentiments of all of us and we appreciate being here with our family members at the Lima campus.

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PRESENTATION ON AFFILIATED ENTITIES

Mr. Shumate:

At this time, we have a special presentation on Affiliated Entities and I would like to call upon Vice Chair Ted Celeste, who also serves as Chair of the Fiscal Affairs Committee and Chair of our Affiliated Entities Committee to introduce this discussion.

Mr. Celeste:

Thank you very much, Mr. Chairman. While I am proud of my activities as chair of the Fiscal Affairs Committee, as well as the Affiliated Entities Committee, my favorite activity and assignment on this Board was the years that I served as a regional trustee of Lima. I feel like I am home and among family. It has been a terrific experience to have all of you here at home with me where I have had that experience.

The report that we are about to hear on Affiliated Entities is a very important aspect of University governance and reflects this Board's commitment to striking the appropriate balance between policy setting and oversight of ongoing operations. As you know, a new committee of the Board was formed last year to address these issues. Trustees George Skestos, Zuheir Sofia, and Dan Slane served along with me, with the support of the Office of Legal Affairs. This new Committee has worked to bring affiliated entities into proper focus for us and to recommend a model of appropriate Board governance.

The Committee's report and recommendations will be described for us by Vice President Virginia Trethewey and John Biancamano, Assistant Vice President for Legal Affairs.

Ms. Virginia Trethewey:

Thank you very much. Our report today deals with the Board's role in the governance of corporations and associations which have important relationships with The Ohio State University. These separate entities operate outside of the University, but the University has at least some degree of responsibility for their existence and for their activities.

Two years ago, the Board undertook a study of its own governance and governance of the University. That effort originated with the efforts of Chair Leslie Wexner and

PRESENTATION ON AFFILIATED ENTITIES (contd)

Ms. Trethewey: (contd)

continued under Chairman Shumate's leadership, culminating in a governance study report. McKinsey and Company, the consultants, were very instrumental in helping the Board structure its thinking, and also was very helpful in depicting the outcomes.

We have a chart here -- and I think the Board members, of course, are very familiar and the University community is becoming increasingly familiar with -- that I refer to as the temple of board governance. What that really does is summarize in one document what this Board's vision, purpose, and management style is intended to be. It identifies six major roles for the Board and one of those is the governance of affiliated entities. It is not that the Board is going to manage all of those separate entities, but its role is to ensure that they are affectively managed. So one of the pillars on that temple is "Ensuring the Governance of Affiliated Entities."

This really was a recognition of how important affiliated entities are in the life of the University. The governance report recommended that this Board needed to do a systematic examination of the structure and characteristics of affiliates and to group them in a logical fashion for day-to-day management and for future additions.

It also recommended that a committee be established to focus on this. As Vice Chair Celeste has indicated, that committee, consisting of four dedicated members, took the task of really building that pillar of governance. In the past eleven months, the Board met numerous times and really worked through, what is often legalistic and frequently confusing, but always the interesting challenge of bringing order to this whole world of affiliates.

From the outset, it was apparent that there are literally dozens and dozens of corporations, ventures, affiliations, and relationships that interact with the University in very meaningful ways. The initial task before the Board committee was to sort out from that landscape those entities for which the Board had actual fiduciary responsibility. Many of those were obvious.

The Ohio State University Foundation, while separate, is integral -- as Jerry May will be happy to remind us -- to the life of the institution and certainly to the future of the institution. The Ohio State University Research Foundation, again separate, but is absolutely integral to the function of the University. Campus Partners, a much more recently created affiliate, is also of great importance to the University.

Other affiliates were far more obscure, but also important in their own ways. There is for example an Ohio State University Retirees Association. That is important for the services it provides to retired faculty. There is also the Ohio Medical Transportation Corporation, which basically is the helicopter medical emergency service link that we are involved in with others. No two of these affiliates were identical, but common elements existed.

The committee with lawyers, of course, had to arrive at a legalistic definition, and we did that. Basically what we had to do was figure out what we were walling in and what we were walling out from this huge University. And we came up with a definition that we think works.

An affiliated entity, which is the charge of this committee, is a corporation or an association that has a legal existence separate from the University and it was formed to support or compliment the mission of the University. It was either created by the

PRESENTATION ON AFFILIATED ENTITIES (contd)

Ms. Trethewey: (contd)

University, itself, or is controlled or strongly influenced by the University, or receives significant financial support from the University, or uses University services or facilities. In some cases all of those apply and in other cases only one of those qualifiers apply. But, again, we have a legal entity outside of the University but with an important relationship to the University.

Being on the Lima campus it is important to point out that there are parts of the University that many people tend to think of as being affiliates even though really they are a part of the University. Our regional campuses, which in a very real sense, have a life of their own, still are within The Ohio State University. They are not affiliates. The same is true of our Hospitals. They have a very important identity in our existence, but they are not affiliates. They are units of the University. OARDC at Wooster, is another example, it is within the University. Stone Lab at Lake Erie is within the University and even the Department of Athletics is within the University, and not separate and apart from it.

John Biancamano will give you a little historical perspective on how we accumulated so many affiliates and discuss a few specific examples that lead to the governance points.

Mr. John Biancamano:

Thank you, Ginny. I will just take a minute or two here to run over four or five of the specific affiliated entities to give you a feeling for some of the different forms that they take and some of the different relationships that they have with the University.

The chart that you have shows about twenty-four different entities. They are, most of them, non-profit corporations that were created at different times in the last 30, 40, or 50 years. They were created to serve different functions. So you will see there is a tremendous amount of variety in the structure and in the relationship with the University. They all have some common criteria and I think those are well set forth in the definition. They all, to some extent, perform a public purpose, which is consistent with the University mission, and that is very important. The University is only allowed to provide financial or personnel support to an entity that is performing a mission consistent with our higher education mission.

When we go through these list of 24 or so affiliates, I think that there are two themes that really come forward: 1) the proliferation of affiliates is a nice illustration of the expansion of the University's mission in the last 50 years; and 2) the affiliates also, to a great extent, demonstrates our desire and our attempts to provide leadership in the higher education community.

Our earliest affiliate supported the core mission of the University, that is the beloved Research Foundation. Formed as a non-profit corporation in 1936, its purpose is to support research at the University, and that as you know, is a significant portion of our mission and that goes on today. The Research Foundation in its own building on Kenny Road manages, administers, and negotiates all of our sponsored research agreements. So it is a very, very significant aspect of what we do in the University.

Looking at some of the other affiliates, some of these have resulted from our membership in national organizations. A good example is the Mid-Western Universities Consortium for International Activities Inc., also a non-profit corporation, known as MUCIA. The membership of MUCIA is the Big Ten institutions. Its purpose

PRESENTATION ON AFFILIATED ENTITIES (contd)

Mr. Biancamano: (contd)

is to promote international programs for the member institutions. Now the connection with MUCIA is that we were fortunate enough to have the Big Ten institutions locate MUCIA on our campus.

As a result, their employees are on our payroll and we provide a wide variety of administrative services. The University does not control MUCIA policy; however, we obviously have a significant responsibility in ensuring that the services that we provide are well performed. MUCIA receives its income from membership fees and it reimburses the University pursuant to a contract for the fair market value of the various services that we provide.

Moving along in this vein, in recent years in Ohio, the University has on occasion been asked by the legislature or by other governmental entities to perform new functions that are important to the state. A good example of that one is the SuperComputer Center. The SuperComputer Center, located on the OSU campus, was established by the Board of Regents in 1987 to serve as a state-wide resource for computation. The Center is governed by a nine member board, OSU has only one vote.

Once again, however, since the employees of the SuperComputer Center are on our payroll we obviously have a significant responsibility in making sure that things run right. And, as you can imagine, this is a tremendous asset for the University. To have this facility on our campus providing the research opportunities for our faculty and the employment opportunities for our students. It is a very good thing to have.

Another example of an affiliate that derives from our contract with the state is the facility you passed on your way up here yesterday or today, and that is the Automotive Test Track in Marysville. Prior to 1988, this research unit was controlled by the State of Ohio, and the University College of Engineering provided management services. So it really didn't belong to us, we just provided the scientific and management expertise to run it.

In 1988, as a part of its incentive package to Honda -- to encourage Honda to expand their plant -- the State sold the Research Center, the land itself, to Honda. At that time, TRC, Inc., a subsidiary of University Affiliates, was formed. University Affiliates appears on your list as a holding company for several of these non-profit organizations. TRC, Inc., was formed to manage the test track at Marysville. It also conducts research projects for Honda and a large volume of research for federal government and private organizations. Once again, this is an activity that is extremely important to our College of Engineering. TRC, Inc., is paid a management fee by Honda for these services. This is an example of probably the best kind of affiliate to have, because it actually makes money. On an annual basis, somewhere in the area of \$900,000 to \$1 million, has been transferred to a College of Engineering endowment account -- a good thing to have.

The affiliates that we have discussed thus far have rolled to our door step and the impetus may have come from other areas. In the last 5 or 6 years, the University has realized that we can use the affiliate structure to promote the growth of the University, to promote the long-term viability of some of our units within the University. So, as you know, we have become much more aggressive in forming these affiliates and much more creative, I might add, in designing the business activities.

Ginny mentioned a couple of these, and I won't go into the details, but the three most prominent are: 1) Campus Partners, a non-profit corporation formed to redevelop

PRESENTATION ON AFFILIATED ENTITIES (contd)

Mr. Biancamano: (contd)

the neighborhood surrounding the University; 2) MedOhio Health Inc., a corporation formed to assist the Medical Center in adapting to the changing health care environment; and 3) our most recent addition to the family is -- when you saw it it didn't have a name, it was called the CRO or the Contract Research Organization; it has now been christened -- Prologue Research International, Inc., a non-profit organization formed last February, pursuant to your approval, to manage clinical trials for the pharmaceutical industry. Our hope here is that if we do this well, we will bring more clinical drug research into the College of Medicine and Public Health and the Medical Center.

That is a quick overview of some of the more prominent affiliates. We have a lot of creative people on campus who are thinking of interesting and unique ways to expand our mission and do what we do better. So we would expect, in the next few years, for interesting ideas to be brought forward on new affiliates. And in order to deal with those, we need a procedure. I think Ginny is prepared to talk about that.

Ms. Trethewey:

Thank you, John. Just very briefly what we have really done with the committee is to try to codify a process that has been developing and emerging over our recent year's experience. I want to emphasize that these steps are taken administratively and internally at the University. This is not work for the Board of Trustees to do, but it is work for the Board to pass on when things reach the appropriate stage to take to the Board's attention.

What we expect is that these creative minds throughout the University, including our regional campuses, will develop ideas or proposals that they think are consistent with the mission and have an opportunity to best be performed by the formation of affiliates. So they will come up with a proposal and they will have to come with a justification, a business plan, if you will, a budget, if that is appropriate, and they will have to get buy-in on that from their local unit, department, and from their college.

At that point, if it is beginning to look sufficiently real, it will then come to the attention of the appropriate vice president and the president to see if it is something that the University really wants to go forward on. There will be the normal University processes of review through the Coordinating Council and the Executive Committee. Then a proposal of that nature will come before the Affiliated Entities Committee for a thorough vetting to see if it answers questions of legality, of policy, of risk management, of mission relatedness, to see if this is something that the University really wants to do and can safely support.

So the Affiliated Entities Committee will have an ongoing role to review these. Then, with their approval, matters like the Clinical Research Organization or MedOhio Health several years ago will ultimately come to this Board for approval because you will have responsibility perhaps for funding, perhaps for use of University employees or other resources.

We have just one more quick chart to show you. Ultimately -- and what the Board needs to do is have three levels of interest. There are certain affiliates, because they are either so close to being visible and close to the University's mission or because they require significant investment of financial resources...

PRESENTATION ON AFFILIATED ENTITIES (contd)

Ms. Trethewey: (contd)

Campus Partners is a clear example of a Level 1 organization. The money is coming primarily from the University and from the endowment. So that is an example of an affiliate that you will know about and it will be reported to you on a regular basis.

There is a middle level in the Transportation Resource Corporation that John mentioned. TRC is an example of a Level 2 that you will want to know about regularly, but that will be through more of an administrative report from the vice president or the dean, or in this case the Dean of the College of Engineering who has responsibility for it.

Then there is a Level 3, which is far more remote. You will hear about those when either unusual opportunities or unusual situations might present themselves, or frankly when there might be a need to eliminate a function that no longer serves the University purpose.

So the governance model that resulted is one way of categorizing these University Affiliates into those things that the Board needs to pay the most attention to on a regular basis. Simply have assignment of responsibility clearly made in the administration on a less frequent basis of reporting.

The final step before the Affiliated Entities Committee is really to have us, in Legal Affairs, take this report and share it with some of our campus constituencies on a more detailed basis. We are set up to do this in the next four weeks -- one example is the Council of Deans.

On that score, I want to emphasize that this doesn't really change the way anybody within the University has been doing things, it improves upon it. It is not a matter of undoing things that have been done, but really educating the campus community about a structure that really serves the purposes that they are after. And in completing that in four weeks, we would expect that the committee will be back here at the May meeting to urge the passage of a resolution which essentially adopts this scheme of governance.

I would be happy to answer any questions, if there are any.

Mr. Shumate:

Thank you, Ginny and John. Are there questions or comments?

Mr. Brennan:

Did I miss it here, Virginia, I don't see the Research Park Corporation?

Ms. Trethewey:

You just have a short version, but yes it is on there.

Mr. Brennan:

Among the short examples that you gave us, is it true and in the big example, too, that Campus Partners' employees are on the OSU payroll, but the Transportation Research Center employees are not on the OSU payroll? How do you make that determination?

PRESENTATION ON AFFILIATED ENTITIES (contd)

Ms. Trethewey:

Those things really arose in the formation of the particular organization.

Mr. Brennan:

There is no legal reason for doing it that way?

Ms. Trethewey:

No. The important thing is that when there are University employees, is to make sure that there are no conflicts of interest between their responsibilities to the entity and whatever responsibilities they have with the University.

Mr. Brennan:

I see that Campus Partners is engaged in major development activity. Have you stopped to consider that if they were University employees versus Campus Partners employees, your liability might be different?

Ms. Trethewey:

We have indeed and there will probably come a point in time at which that will be more significant.

Mr. Brennan:

You should separate the employment status, is that what you are saying?

Ms. Trethewey:

Eventually.

Mr. Brennan:

Okay, thank you.

Ms. Trethewey:

The Research Park Corporation by the way, David, is listed here as the Science and Technology Campus Corporation.

Mr. Brennan:

You mean you changed the name on us, too?

Ms. Trethewey:

They changed their name; they are independent.

Mr. Brennan:

You are just trying to confuse me! Thank you.

PRESENTATION ON AFFILIATED ENTITIES (contd)

Mr. Shumate:

Are there any other questions or comments? We certainly want to commend the committee, Ted, and your membership as well, Ginny, for the fine work that you and John both have performed in this area. I would like to urge you to send a copy of the resolution and the report to McKinsey for them to comment and review as well.

Again, thank you, not only for your excellent work today, but yesterday when we met with the regional campus boards. Howard Watkins, who is here, and chair of the board at Lima, indicated, John, that you had helped them very much with one of their recent projects on behalf of all of the regional campuses. So, we want to publicly thank you for that, as well. Thank you.

(See Appendix XLII for background information and charts, page 717.)

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**PRESENTATION ON CAPITAL REQUESTS AND
THE ACADEMIC MISSION**

Mr. Shumate:

Our final agenda item is a discussion for capital request and the relationship with the academic mission and I would like to call upon Interim President Dick Sisson to introduce that discussion and our panelists.

Dr. Richard Sisson:

Thank you very much, Mr. Chairman. As all of you know, we are approaching the time of year when the State of Ohio makes decisions about the allocations of state capital dollars for the next two years. As I am also sure you know, these decisions will have a major impact on our ability to continue to make progress in the environment for learning and discovery on every one of our campuses. Consequently, I have asked Bill Shkurti, Vice President for Finance, and Eric Kunz, Assistant Vice President for Resource Planning and Institutional Analysis, to give you an update on the status of the University's capital request for Fiscal Years 1999 and 2000.

While we have appropriately made investment in people a high priority, the highest in a sense priority, it is very important that we provide faculty, staff, and students with a physical environment that supports teaching and learning. This report will show, I do believe, that our commitment to a better physical environment in partnership with the State of Ohio, for the enhancement and the propulsion of our academic mission is, indeed, on course.

So I would ask my colleague, Bill Shkurti, to continue the elaboration of these general comments.

Mr. William Shkurti:

Thank you, Mr. President. The University's capital request has been reviewed and approved by the Board earlier this year, so I will not go into detail on that. What I will do is to talk a little bit about the context of how things have changed or what has happened since that request was approved in July. Then my colleague, Eric Kunz, Assistant Vice President for Resource Planning and Institutional Analysis -- the Resource Planning half of him -- will discuss a couple of projects as examples of what we are talking about, and then I will wrap up with implications.

**PRESENTATION ON CAPITAL REQUESTS AND
THE ACADEMIC MISSION (contd)**

Mr. Shkurti: (contd)

The terms of context, as the President mentioned, the physical environment is critical to learning, research, and public service and everything the University does. We have talked about becoming a more student-centered University, and that is appropriate, but to do that we need a student-centered environment. Our capital planning process is a way to accomplish that, and it is an open process and a cooperative one between many offices.

I just want to mention -- because we are talking about academic priorities that drive this process -- that what we are doing would not be possible without the support of other offices, particularly the Office of Academic Affairs, in establishing academic priority. Then -- although money and priorities are important -- someone has to actually make sure that the buildings are constructed and operate properly. That is where the Offices of the University Architect and Design and Construction -- within Physical Facilities in maintaining these buildings -- are extremely important.

Another issue as we talk about priorities and how to do things better is how we make these decisions once priorities are set. We are currently working on a set of space allocation guidelines, that I had mentioned to the Board previously. We hope that in the not too distant future to bring those forward for discussion. So we are even doing a better job in allocating our resources.

One of the things that has changed in the University in the last decade, is that 10 years ago the University's priority was to add new space. The accreditation review showed that the University did not have enough space for the number of students that it had and the number of faculty and staff. So that was done. A lot of things have changed since the 1980's. And as we face the more austere 1990's, I think our future capital planning priorities have changed to take better care of the facilities that we have and to only bring new space on when it is particularly needed. Technology is one of the areas that is driving that. So in some selected areas, we do need new space for advanced research needs, and Dean Meek mentioned the Science and Technology Building that we will be discussing in a minute.

The other point that I would make is as times have changed, the state funding patterns have changed. This has put greater financial responsibility on the University to use its capital funds well, but it has also given us greater flexibility to plan and prioritize our projects. We appreciate that flexibility from the State and want to make the best use of it.

At this time now, I will turn the microphone over to my colleague, Assistant Vice President Kunz, who will talk about the process and a couple of examples.

Mr. Eric Kunz:

I would like to reiterate that the process is very important. Key leadership by Vice Provost Parson and the Space Facilities Committee is very important, as well as understanding the continuity in planning as a part of the implementation and development project through the University Architect. Then the arduous task of maintaining those facilities for 30, 40 or, in some cases, 80 years here at the University.

The capital projects that we submitted to the State last summer totalled over \$119 million, and sorting through those we used several criteria which are listed on your handout. The first is academic priority. That looks at the relationship of those programs at the University, the University's mission, the programs of excellence,

PRESENTATION ON CAPITAL REQUESTS AND THE ACADEMIC MISSION (contd)

Mr. Kunz: (contd)

student demand, research productivity, and several other items, as well as physical need, the condition of the existing space. On that, health and safety issues were paramount in our criteria.

The third criteria is financial feasibility. What is the likelihood of State support? Is there any cost sharing with the facilities or with the programs that we are looking at to support? Then, a net impact on operating expenses of that facility is considered.

The last criteria is physical feasibility and other assorted considerations. Were there previous commitments and is there consistency in our programming. The physical feasibility to include timing, staging issues, and the impact on other needs in the University in the programs that we are looking at.

The process, as it unfolded -- in March 1966, we asked for identification of projects. We looked at our capital plan; we wanted to be consistent with our planning process. We asked colleges and administrative areas to identify needs that they might have and then we looked centrally at what programs we thought might help. We were lucky that we identified over \$460 million worth of needs during that process. We did internal consultations and whittled that down a little bit.

We looked at detailed justification from the programs. We had hearings where the academic and administrative programs presented their needs. We were lucky enough to get President Sisson, Provost Ray, and many of the vice presidents, staff, faculty, and, very importantly, the Space Facilities Committee, that was augmented by the chair of the Senate Fiscal Committee as well, to look at these programs and think about prioritization.

As Bill mentioned, last July we presented that program to you. It was approved and submitted to the State. The State is going through their process. The Board of Regents has made a submittal to the Governor's office. It is going through the legislative process and we hope in July to have a capital bill that is supportive of our academic programs. Bill will talk a little bit more about that in a moment.

On the next page it shows that we have added a summary of our projects and it talks about the main campus submittal -- the first column is what we requested -- and then what the Board of Regents submitted to the Governor's office. They were consistent with our priorities using the new formula-driven decision making. The Board of Regents didn't quite satisfy all of our needs, but we felt that it was important that we identify to the Board of Regents what our key priorities were. Then the extended campus list is shown there as well.

I would like to talk about three projects, two of which are in our capital budget request and one which was previously funded here at the Lima campus. The first being the Physical Sciences Research Building. This is a project to build new space and renovate some old space to support one of the University's key academic programs, the Department of Physics.

This project will cost about \$50 million and we will phase the funding of that. We currently have appropriated \$4 million in planning money and are using that to move the project forward. In our current capital request, we have asked for \$20 million. We will work with the University's Architects Office to phase the project, and then during the next biennium, we will request the remaining \$26 million. We feel that this is a prudent way to look at, program, and plan key facilities, and it allows us to move several projects along at the same time.

**PRESENTATION ON CAPITAL REQUESTS AND
THE ACADEMIC MISSION (contd)**

Mr. Kunz: (contd)

Certainly the impact in deferred maintenance is important to us. This is a new facility. While it is not listed on your handout, the site for this is the old Welding and Engineering Building. This is currently closed down, but it has been a major headache to the University. It is almost 100 years old and will be pulled down. We are going to put in its place a new research facility to support physics.

In addition, the research program will move from Smith Laboratory into the new facility. The academic component of the program will remain in Smith. We will renovate Smith and use it, in addition, for other high priority University needs. The new facility will bring on additional square footage above and beyond what physics currently has. The College has agreed to fund the operating costs for that additional square footage through indirect cost recoveries. We believe that the estimated completion date of Phase 1 is summer 2001, and the full facility should be up 2 years later.

We wanted to mention the Lima Campus Life and Physical Sciences Building. It was not a part of the budget request this year. In fact, as Violet suggested earlier, she operates very independently with the Board of Regents.

The planning money was initially authorized to both the Technical College and the OSU Lima campus to design and come up with an idea on how to meet their science academic needs. The facility will provide for classrooms, lab and high tech space that they don't currently have. Then they will be able to use older space for other needs.

The program is funded through the Technical College line, but OSU has continued to work with Lima in administering that program. There will be additional operating costs. Both Lima Tech and OSU will support those costs. The building will be done, I believe, this November. As you can see outside, it is moving along quite well.

The last project that we would like to talk about is the Hagerty Hall renovation. We are excited about having the opportunity to be able to take an old facility at Ohio State and bring it up to code to meet the needs that we have to support continuing programs. The College of Humanities, a core academic unit, will consolidate all of their language programs and create an international gateway in this new facility. We are really excited that the old one will now have an opportunity to see continued renovation.

We programmed a little over \$20 million to do that. We have planning money from a previous biennium to move forward with architectural design. We have requested an additional \$18.5 million in the current capital budget, and the College has agreed to look at raising funds on their own to support some programmatic investments.

The impact on preferred maintenance is significant. This is an old facility that was built in 1924. That is a significant component of Jim Stevens' list of needs. Almost all of that money will go into infrastructure in the building, very little into programs. So we are, in effect, taking the deferred maintenance down by almost \$18 million. We are looking for that project to be completed in 2001.

Again, we looked at operating costs. Kermit Hall in the College of Humanities has agreed to fund those additional resources since we don't receive those from the State anymore.

**PRESENTATION ON CAPITAL REQUESTS AND
THE ACADEMIC MISSION (contd)**

Mr. Kunz: (contd)

Those are the three projects that we wanted to highlight with the process. I will now turn it back over to Bill to talk about implications.

Mr. Shkurti:

By way of summary, I would just like to make four points. One is although sometimes it is overlooked by people on the outside, it is clear that a good physical environment is critical to learning and research. Secondly, the capital planning process that we have talked about is very consistent with our academic priorities. We have talked about a couple of examples in core disciplines like the sciences and the languages -- and they are not the only ones, but obviously that is where a lot of our attention is focused. The third point that I would make is that the University priorities reflect not only academic priorities, but the wise use of taxpayer dollars in emphasizing renovation and replacement as opposed to just adding space. And when we have added it, we have a source to pay for it.

And, finally -- although we have not mentioned it yet, it is very timely in terms of something that has changed since July -- a positive resolution of the school funding issue, that is the passage of Issues 1 and 2 on the ballot this May. It will have a positive impact on higher education because it will allow us to continue the construction programs that we need to accomplish at OSU without having it diverted to other purposes.

Mr. Chairman, that concludes our presentation and we will be glad to answer any questions the Board might have.

Mr. Shumate:

Thank you. Are there any questions or comments? If not, we also thank both of you for your good work and your focus on the academic mission of the University as you pursue these budgetary and funding issues.

(See Appendix XLIII for background information, page 725.)

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Mr. Shumate:

Again, Dean Meek, we thank you so much for hosting us and appreciate the excellent presentations, as well as the hospitality and the warm welcome. We will get to do some sharing at lunch as well.

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April 3, 1998 meeting, Board of Trustees

Thereupon the Board adjourned to meet Friday, May 1, 1998, at The Ohio State University Fawcett Center for Tomorrow, Columbus, Ohio.

Attest:

William J. Napier
Secretary

Alex Shumate
Chairman